

Message Text

CONFIDENTIAL

PAGE 01 MEXICO 01283 141936Z

71

ACTION COME-00

INFO OCT-01 ARA-16 ISO-00 EB-11 OMB-01 SCI-06 FEA-02

CIEP-02 INT-08 TRSE-00 STR-08 AID-20 CIAE-00 DODE-00

PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10 PA-04 RSC-01

PRS-01 SPC-03 SS-20 USIA-15 SAM-01 DRC-01 /154 W

----- 028685

P 141711Z FEB 74

FM AMEMBASSY MEXICO CITY

TO SECSTATE WASHDC PRIORITY 96

C O N F I D E N T I A L MEXICO 1283

E.O. 11652: GDS

TAGS: EIND, ETRD

SUBJECT: MEXICAN INDUSTRY HOARDS FERROUS SCRAP

REF: STATE 23940

1. GOM IS TAKING STRONG MEASURES TO OVERCOME HOARDING OF FERROUS SCRAP BY GOVERNMENT-CONTROLLED INDUSTRIES. IN DECEMBER 1973 ABOUT ONE DOZEN YOUNG PROFESSIONALS AND ADVANCED UNIVERSITY STUDENTS WERE ORGANIZED INTO SMALL TEAMS, GIVEN PHOTOGRAPHY TRAINING, AND BRIEFED BY PERSONNEL OF SECRETARIA DE HACIENDA TO CARRY OUT A CONFIDENTIAL ASSIGNMENT TO DETERMINE HOW MUCH SCRAP METAL WAS BEING HELD BY GOM DEPENDENCIES. THEY WERE THEN SENT ALL OVER THE COUNTRY WITH NOTEBOOKS AND CAMERAS BUT WITHOUT ANY OFFICIAL DOCUMENTATION TO LOCATE STOCKPILES OF SCRAP, ESTIMATE AMOUNTS, AND GET PHOTOGRAPHS AND OTHER EVIDENCE TO DOCUMENT EXISTENCE OF SCRAP. SOME WERE DETAINED BY LOCAL AUTHORITIES, OTHERS WERE SHOT AT, BUT THEY OBTAINED MUCH INFORMATION.

2. DURING JANUARY 1974 THE RESULTS COMPILED SHOWED THAT NEARLY 600,000 TONS (ASSUMED TO BE METRIC) WERE BEING HELD BY GOM INSTITUTIONS AND THUS UNAVAILABLE TO MEXICAN INDUSTRY. NUMBER ONE OFFENDER IS FERROCARRILES NACIONALES AND SECOND CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MEXICO 01283 141936Z

IS PEMEX. THE STUDY IS BROKEN DOWN BY ORGANIZATION AND

STATE. IT IS ESTIMATED THAT THE MATERIALS DISCOVERED REPRESENT ONLY 40 PERCENT OF WHAT MAY ACTUALLY BE AVAILABLE IN THESE GOM ENTERPRISES, POSSIBLE AS MUCH AS 1.5 MILLION METRIC TONS.

3. STUDY WILL BE BASIS FOR PRESIDENTIAL DECREE EXPECTED SOON TO DECLARE ALL SCRAP HOLDINGS OF THESE GOM INSTITUTIONS A NATIONAL SECURITY RESOURCE SO THAT GOM CAN CONFISCATE THESE SCRAP STOCKPILES AND JUNK HEAPS. GOM WILL THEN SET UP A COMMISSION TO ASSURE STEEL INDUSTRY CONTINUES TO BE WELL SUPPLIED WITH ESSENTIAL SCRAP. SIMILAR EFFORTS MAY BE UNDERTAKEN BY HACIENDA IN OTHER INDUSTRIES WHERE SUPPLIES OF RAW MATERIALS ARE SHORT OR WHERE DIFFERENT PROBLEMS ARE AFFECTING THE PRODUCTIVE OPERATION.
JOVA

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: STEEL, LAW, GOVERNMENT CORPORATIONS, STOCKPILES
Control Number: n/a
Copy: SINGLE
Draft Date: 14 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974MEXICO01283
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: MEXICO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740233/aaaabejj.tel
Line Count: 76
Locator: TEXT ON-LINE
Office: ACTION COME
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: STATE 23940
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 17 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17 SEP 2002 by boyleja>; APPROVED <09 DEC 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MEXICAN INDUSTRY HOARDS FERROUS SCRAP
TAGS: EIND, ETRD
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005